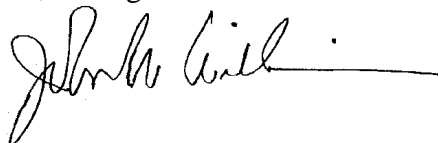


For: All FSA, RMA, and FAS Employees

**Payment of Federal Employees Health Benefits (FEHB) Premiums
for Reservists Called to Active Duty**

Approved by: Deputy Administrator, Management



1 Overview

**A
Background**

To assist Reserve component members in maintaining affordable healthcare options, OPM and DOD established a policy that encouraged Federal agencies to pay the employee's share and the Government's share of FEHB premiums for any covered employee who is called to active duty in support of a contingency operation.

In response, USDA has decided to support the premium waiver initiative for its eligible employees serving in Operation Enduring Freedom.

USDA's support for previous contingency operations is under consideration and will be announced in another notice.

**B
Purpose**

This notice:

- announces the waiver program to FFAS employees
- establishes policy and guidance for the waiver of employee share of FEHB premiums for reservists called to active duty
- provides processing procedures.

Continued on the next page

Disposal Date

January 1, 2004

Distribution

All FAS, RMA, and FSA employees, State
Offices relay to Counties

1 Overview (Continued)

C

Definition of Active Duty

Active duty for FEHB waiver benefit is defined as any reservist called to active duty under a contingency operation order in support of Operation Enduring Freedom. This includes national guardsmen called to active duty under Title 10 and Title 32 of the United States Code (U.S.C.).

At the time of this notice, this definition should **not** be used for any purpose other than FEHB waiver benefits.

The definition of active duty for service credit and all other benefits as annual leave and military leave remains unchanged.

D

Contact

For further information about this notice, contact either of the following:

- Susan Brown at 202-418-9039
 - Darla Hensley at 202-418-9021.
-

2 Eligibility

A

Eligible Employees

The following criteria must be met to be eligible for the waiver program.

- State and County Office employees enrolled in FEHB who retain coverage while performing active military duty and elect to incur a debt
- a member of 1 of the following Reserve components of the U.S. Armed Forces:
 - Army National Guard
 - Army Reserve
 - Navy Reserve
 - Marine Corps Reserve
 - Air National Guard
 - Air Force Reserve
 - Coast Guard Reserve
- ordered to active duty (voluntarily or involuntarily) for more than 30 calendar days in support of Operation Enduring Freedom

Note: Active duty by the National Guard may be under Title 10 or Title 32 of U.S.C.

- placed on leave-without-pay (LWOP) to perform active duty.
-

B

Ineligible Employees

Employees who resign to enter active duty are **not** eligible for this program.

C

Reimbursement for Prior Active Duty

Employees who meet the criteria in subparagraph A may be entitled to a refund if they have served active duty in Operation Enduring Freedom. If employee meets criteria in subparagraph A and paid FEHB premiums either during active duty or upon returning, contact the Servicing Personnel Office (SPO) for entitlement and refund application procedures.

3 Waiver of FEHB Premiums Program

A

Waiver of Premiums

FFAS, in accordance with Departmental guidance, will participate in the waiver of FEHB premiums for eligible employees. Premiums will be waived up to 18 months while in LWOP status, the maximum amount currently permitted by law.

B

Beginning of 18-Month LWOP Period

The 18-month period begins with the effective date of the order. Whether the employee is:

- reporting to training
- using paid leave
- placed on LWOP to perform active military duty.

Note: The use of paid leave, either before LWOP or intermittently throughout, does **not** extend the 18-month period of eligibility for the waiver program.

C

FEHB Coverage After 18 Months

At the end of 18 months, FEHB coverage terminates. Employees get a 31 calendar day extension of coverage during which they can convert to a non-group policy.

Employees are **not** eligible for Temporary Continuation of Coverage.

D

Tax Consequences to This Benefit

There are **no** tax consequences.

Employees who were enrolled in FEHB-Premium Conversion will **no** longer get the pre-tax credit on the premiums.

Continued on the next page

3 Waiver of FEHB Premiums Program (Continued)

E

4-Month Rule

The 4-month rule does **not** apply to this program. Employees do **not** have to be in 4 month pay status to begin a new 18-month period.

Example: An eligible employee may serve on active duty for 14 months, exercise restoration rights, return to civilian duty for 2 weeks, later return to active duty and continue FEHB for an additional 18 months.

F

If Employee Dies While on Active Duty

The employee's share of the FEHB premiums will be paid through the date of death.

4 Responsibilities

A Employee Responsibilities

The employee must:

- provide a copy of written orders for proof of qualifying service to active duty in support of Operation Enduring Freedom

Note: Employee must provide name of Commanding Officer to SPO, if needed.

- submit SF-52 requesting LWOP for active military duty to SPO
- elect to retain FEHB while serving on active duty by incurring a debt
- ensure that SPO receives any changes or extensions of military orders
- notify SPO immediately upon return to civilian service by submitting a return-to-duty SF-52 and discharge papers
- submit FEHB premium bill to SPO immediately upon receipt.

Note: A bill may be generated for premiums when return to pay status. SPO will waive the bill for up to 18 months of active military duty.

B SPO Responsibilities

Each SPO shall:

- notify employees about the benefit and the eligibility requirements
- determine whether employees are eligible as outlined in subparagraph 2 A

Note: SPO must contact Commanding Officer if questions about the order is in support of Operation Enduring Freedom. The employee must provide name of the Commanding Officer.

- give eligible employees the opportunity to elect to retain FEHB and incur a debt
 - process LWOP and return-to-duty actions.
-

5 SPO Processing Instructions

A

Instructions

Effective pay period 3, February 9, 2003, NFC will debit the agency for FEHB premiums, pay carrier, and **not** adjust LWOP counters, regardless of whether a T&A is submitted for an employee.

SPO shall follow the guidelines in the following table to process an active duty **LWOP** action for employees serving in Operation Enduring Freedom.

Step	Action
1	<p>Receive the following:</p> <ul style="list-style-type: none"> SF-52 requesting LWOP for active duty certification from employee of being called to active duty for more than 30 calendar days to serve in Operation Enduring Freedom. <p>Note: Active Duty by the National Guard may be under Title 10 or Title 32 of the U.S.C.</p>
2	<p>Give employee option to retain FEHB and incur a debt.</p> <p>Note: If employee does not elect to incur a debt, employee is not eligible for this program.</p>
3	<p>Process LWOP action in CAMS using the following nature of action (NOA) and authority codes for both Federal and county employees:</p> <ul style="list-style-type: none"> NOA 473 - LWOP US Q3K (1st authority code) ZJW (2nd authority code) - identifies service as Operation Enduring Freedom.
4	<p>File all of the above on the left side of the employee's Official Personnel Folder.</p>

Note: Within-grade increases and LWOP service computation dates will **not** be adjusted if the above NOA and authority codes are used.

Continued on the next page

5 SPO Processing Instructions (Continued)

B

**Corrections for
Actions Prior to
Pay Period 3**

NFC is writing a “Corrections Bulletin” for reservists placed on LWOP for Operation Enduring Freedom before pay period 3, or who should have been.

Correction procedures will be issued under a separate notice when NFC’s bulletin is issued.
